

reserved the determination of the amount of monetary remedies to be imposed against Defendants and Relief Defendants for a later date, as the SEC explained that it was aware of on-going activity that needed to be included in the motion for remedies.

2. Since the SEC's last status report, the SEC has received and reviewed records from individuals, banks, financial institutions and other third parties and has scheduled the records that have been received to trace the flow of investor funds.

3. By way of update to the Court, Dunlap and Meta1 continue to operate and market the investment scheme through various means and to ignore this Court's orders. The website and whitepaper is now found at a new website, www.metalcoin.vision. Another website it provides to investors is www.meta-exchange.vision, which is "grayware," a category of software between outright malware and legitimate conventional software, and not safe to access. Through December 2021, Meta1 has raised at least \$13.6 million from 700 investors in 40 states, plus six foreign countries. Following the Court's asset freeze, the investor funds primarily have been directed to Meta1 board member, Richard Grassie. After depositing investor funds in his personal accounts, Grassie pays other Meta1-related individuals, including Relief Defendants Wanda and Alfred Warner and related companies, pays bills including credit card and loan payments, and withdraws cash as cashier's checks made payable to himself and other Meta1 employees. The bank records also show a number of payments and wire transfers to unknown individuals.

There is no evidence that any of the investor funds was used for the stated purpose of the investment. The manner and method of investment follows the previous pattern established by Dunlap: open a bank account for a short period of time, deposit investor funds, spend investor funds on purposes not stated in the White Paper, including withdrawing investor funds using

cashier's checks to pay other related third parties, then close the bank account and open a new one to repeat the process again.

Meanwhile, Meta1 and Dunlap continue to lure investors with false and misleading claims. On a June 5, 2022 Zoom presentation with over 400 participants, Dunlap told investors that the value of Meta1 Coin had increased over the past month by 3.77%, during a period of time that the cryptocurrency market was down 30-40%, and that they should consider transferring their assets out of 401(k) accounts and into Meta1. Dunlap continued to promise investors that Meta1 is "close to a full market release." He also repeated the lie that Meta1 is outside the jurisdiction of U.S. law. The fictional "Coin" Dunlap once sold for \$22.22 now sells for \$373.75. Dunlap told investors that it is "inevitable" that the Coin will increase to \$1,500 to \$2,000 a coin this year, and \$10,000 or higher after that, as a "conservative" prediction. He also claimed that Meta1 filed a "complaint" against Facebook (and 31 other companies) for using the name "Meta."

4. The SEC is preparing its motion for remedies and will file it by the next reporting period, or no later than September 21, 2022, or at such time that the Court orders.

Dated: June 21, 2022

Respectfully submitted,

/s/ Jennifer D. Reece

Jennifer D. Reece

Texas Bar No. 00796242

James E. Etri

Texas Bar No. 24002061

United States Securities and Exchange Commission

Burnett Plaza, Suite 1900

801 Cherry Street, Unit 18

Fort Worth, Texas 76102

Direct phone: (817) 978-6442 (JDR)

Fax: (817) 978-4927

reecej@sec.gov

COUNSEL FOR PLAINTIFF

CERTIFICATE OF SERVICE

I certify that on June 21, 2022, I electronically submitted the foregoing document with the clerk of court for the U.S. District Court, Western District of Texas, using the electronic case filing system of the court. I hereby certify that I have served all parties according to FED. R. CIV. P. 5(b)(2).

/s/ Jennifer D. Reece
Jennifer D. Reece